

**North Ryde**  
**Community Finance Limited**  
**Financial Statements**  
**as at**  
**31 December 2007**

**North Ryde Community Finance Limited**  
**ABN 74 112 673 506**  
**Directors' Report**

Your Directors submit the financial report of the company for the half-year ended 31 December 2007.

**Directors**

The names of directors who held office during the half year and until the date of this report are as below:

Graham John McMaster

Russell Milton Robinson

Helen Patricia Perrin

Phillip Warren Perrin

John Francis Booth

Ulrike Eichmeyer

Ivan John Petch

Robert John Talbot

Phillip Matthew Walker

**Principal activities**

The principal activities of the company during the course of the financial period were in providing community banking services under management rights to operate a franchised branch of Bendigo Bank Limited.

**Review and results of operations**

Operations have continued to perform in line with expectations. The net profit/(loss) of the company for the financial period was: \$23,821 [2006: (\$6,912)].

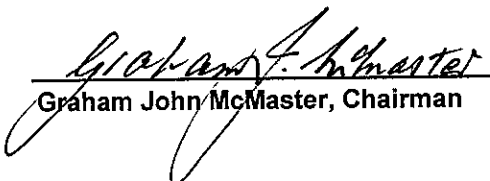
**Matters subsequent to the end of the reporting period**

There are no matters or circumstances that have arisen since the end of the half year reporting period that have significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company.

**Auditor's independence declaration**

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 2.

Signed in accordance with a resolution of the Directors at North Ryde, New South Wales on 1 March 2008.

  
Graham John McMaster, Chairman

**Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001  
to the directors of North Ryde Community Finance Limited**

I declare that, to the best of my knowledge and belief, in relation to the review for the financial period ended 31 December 2007 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.



**David Hutchings**  
Auditor

**Andrew Frewin & Stewart**  
Bendigo, Victoria

Dated this 1<sup>st</sup> day of March 2008

**North Ryde Community Finance Limited**  
**ABN 74 112 673 506**  
**Income Statement**  
**for the half-year ended 31 December 2007**

	<b>2007</b>	<b>2006</b>
	<b>₤</b>	<b>₤</b>
Revenue from ordinary activities	243,051	174,454
Other revenue	21,874	11,766
Salaries and employee benefit expense	(122,146)	(112,402)
Occupancy and associated costs	(42,533)	(32,316)
Advertising and promotion expenses	(1,820)	-
Systems costs	(10,647)	(10,323)
Depreciation and amortisation expense	(13,818)	(12,389)
General administration expenses	(40,248)	(35,156)
<b>Profit/(loss) before income tax expense/credit</b>	33,713	(16,366)
Income tax expense/credit	(8,966)	9,454
<b>Profit/(loss) for the period</b>	24,747	(6,912)
<b>Profit/(loss) attributable to members of the entity</b>	24,747	(6,912)
 <b>Earnings per Share</b>		
	<b>¢</b>	<b>¢</b>
Earnings per share for the period were:	2.34	(1.00)

*The accompanying notes form part of these financial statements.*

**North Ryde Community Finance Limited**  
**ABN 74 112 673 506**  
**Balance Sheet**  
**as at 31 December 2007**

	31-Dec 2007 \$	30-Jun 2007 \$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash assets	505,041	445,855
Trade and other receivables	21,632	76,492
<b>Total Current Assets</b>	<u>526,673</u>	<u>522,347</u>
<b>Non-Current Assets</b>		
Property, plant and equipment	177,286	185,104
Deferred tax asset	86,497	95,463
Intangible assets	29,000	35,000
<b>Total Non-Current Assets</b>	<u>292,783</u>	<u>315,567</u>
<b>Total Assets</b>	<u>819,456</u>	<u>837,914</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and other payables	13,780	57,004
Provisions	7,106	7,088
<b>Total Current Liabilities</b>	<u>20,886</u>	<u>64,092</u>
<b>Total Liabilities</b>	<u>20,886</u>	<u>64,092</u>
<b>Net Assets</b>	<u>798,570</u>	<u>773,822</u>
<b>Equity</b>		
Issued capital	1,012,038	1,012,038
Retained earnings	(213,470)	(238,217)
<b>Total Equity</b>	<u>798,568</u>	<u>773,822</u>

*The accompanying notes form part of these financial statements.*

**North Ryde Community Finance Limited**  
**ABN 74 112 673 506**  
**Statement of Changes in Equity**  
**for the half-year ended 31 December 2007**

	<b>2007</b>	<b>2006</b>
	<b>₤</b>	<b>₤</b>
Total equity at the beginning of the period	773,822	780,256
Net profit/(loss) for the period	24,747	(6,912)
Net income/expense recognised directly in equity	-	-
Dividends provided for or paid	-	-
Shares issued during period	-	-
Total equity at the end of the period	<u><u>798,569</u></u>	<u><u>773,344</u></u>

*The accompanying notes form part of these financial statements.*

**North Ryde Community Finance Limited**  
**ABN 74 112 673 506**  
**Cash Flow Statement**  
**for the half-year ended 31 December 2007**

	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>
<b>Cash Flows From Operating Activities</b>		
Receipts from customers	255,067	177,837
Payments to suppliers and employees	( 209,721)	( 207,022)
Interest paid	( 641)	-
Interest received	14,479	11,015
<b>Net cash provided by/(used in) operating activities</b>	<b>59,184</b>	<b>( 18,170)</b>
<b>Cash Flows From Investing Activities</b>		
Payments for property, plant and equipment	-	( 9,377)
<b>Net cash used in investing activities</b>	<b>-</b>	<b>( 9,377)</b>
<b>Net increase/(decrease) in cash held</b>	<b>59,184</b>	<b>( 27,547)</b>
Cash at the beginning of the financial year	445,855	454,077
<b>Cash at the end of the half-year</b>	<b>505,039</b>	<b>426,530</b>

*The accompanying notes form part of these financial statements .*

**North Ryde Community Finance Limited**  
**ABN 74 112 673 506**  
**Notes to the financial statements**  
**for the half-year ended 31 December 2007**

**1. Basis of preparation of the half-year financial statements**

**Statement of compliance**

The half-year financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ('AASBs') adopted by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. The financial report also complies with the IFRSs and interpretations adopted by the International Accounting Standards Board.

**Basis of accounting**

The half-year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly the report shall be read in conjunction with the financial report for the year ended 30 June 2007 and any public pronouncements made by the company during the period.

The accounting policies set out below have been applied in preparing the financial statements for the half-year ended 31 December 2007. All accounting policies are consistent with those applied in the 30 June 2007 financial statements except as set out below.

**2. Events subsequent to reporting date**

There have been no events subsequent to reporting date that would materially effect the financial statements at the reporting date.

**3. Contingent assets and liabilities**

There were no contingent assets or liabilities at the date of this report to affect the financial statements.

**4. Segment Reporting**

The economic entity operates in the service sector where it facilitates community banking services pursuant to a franchise agreement with Bendigo Bank Limited. The economic entity operates in one geographic area being North Ryde and district, New South Wales

**5. Contributed equity**

	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>
1,058,759 Ordinary shares of \$1 each (2006: 1,058,759)	1,058,759	1,058,759
Less: equity raising expenses	(46,721)	(46,721)
	<u>1,012,038</u>	<u>1,012,038</u>



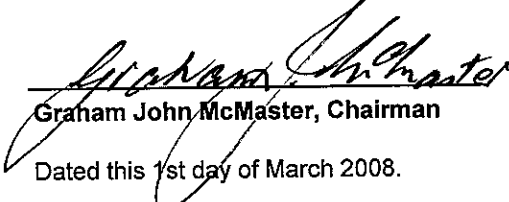
North Ryde Community Finance Limited  
ABN 74 112 673 506  
Directors' Declaration

In the opinion of the directors of North Epping Community Finance Limited ("the Company"):

- 1 The financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
  - (a) giving a true and fair view of the financial position of the entity as at 31 December 2007 and of its performance, as represented by the results of its operations and cash flows for the half-year ended on that date;
  - (b) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
- 2 there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the Directors

  
Graham John McMaster, Chairman

Dated this 1st day of March 2008.

## Independent Review Report to the Members of North Ryde Community Finance Limited

### *Scope*

We have reviewed the accompanying financial report of North Ryde Community Finance Limited comprising the balance sheet, income statement, statement of changes in equity, cash flow statement, accompanying notes 1-5 to the financial statements and the directors' declaration for the entity for the half-year ended 31 December 2007.

### *Directors' Responsibility for the Financial Report*

The directors of the company are responsible for the preparation and fair presentation of the interim financial report in accordance with Australian Accounting Standards and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the interim financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of an Interim Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the company's financial position as at 31 December 2007 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

While we considered the effectiveness of management's internal controls over financial reports when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls. Our review did not involve an analysis of the prudence of business decisions made by directors or managers.

### *Independence*

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

### *Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of North Ryde Community Finance Limited is not in accordance with Corporations Act 2001, including:

- i. giving a true and fair view of the entity's financial position as at 31 December 2007 and of its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Regulations 2001.

David Hutchings Partner  
BENDIGO

Dated this 1<sup>st</sup> day of March 2008